

IN THE UNITED STATES DISTRICT COURT FOR THE  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

|                                   |   |                        |
|-----------------------------------|---|------------------------|
| PAUL BLAINE SMITH, CAROLYN BASS   | § | CIVIL ACTION No.       |
| SMITH, ET AL.,                    | § | 4:20–CV–00675          |
|                                   | § |                        |
| <i>Plaintiffs,</i>                | § |                        |
|                                   | § | JUDGE CHARLES ESKRIDGE |
| v.                                | § |                        |
|                                   | § |                        |
| INDEPENDENT BANK F/K/A BANK OF    | § |                        |
| HOUSTON, TRUSTMARK NATIONAL       | § |                        |
| BANK, THE TORONTO-DOMINION        | § |                        |
| BANK, HSBC BANK PLC, SG PRIVATE   | § |                        |
| BANKING (SUISSE) S.A., and BLAISE | § |                        |
| FRIEDLI,                          | § |                        |
|                                   | § |                        |
| <i>Defendants.</i>                | § |                        |

**EIGHTH JOINT STATUS REPORT**

In 2020, this case was stayed and administratively closed pursuant to an injunction order issued in a related case, *SEC v. Stanford International Bank Ltd*, 3:09-cv-298 (N.D. Tex.) (“*SEC Action*”). See Dkt. 15, 19. Since then, per this Court’s instructions, Plaintiffs and Defendant Trustmark National Bank<sup>1</sup> (“Trustmark”) have periodically filed Joint Status Reports to provide updates on this case and related cases. See Dkt. 16, 18, 20, 22, 23. Plaintiffs and Trustmark hereby submit this Eighth Joint Status Report to report the following:

First, Plaintiffs and Trustmark have agreed to settle the above-captioned case with respect to Plaintiffs’ claims against Trustmark. Importantly, however, Trustmark’s settlement with Plaintiffs in this case is part of a broader settlement with the court-appointed Receiver for the Stanford Receivership Estate that resolves all Stanford-related litigation against Trustmark,

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<sup>1</sup> The other named defendants in this matter are not signatories to this joint status report because they were not the removing parties in this matter and, like Trustmark, have not been served.

including two other cases pending in other courts. This settlement is unique in that it requires a specific process for approval by the MDL Court overseeing the Stanford Receivership Estate (Judge David Godbey, U.S. District for the Northern District of Texas), including among other components the MDL Court's (a) approval of the terms of the settlement agreement and (b) entry of bar orders in related cases to bring an end to all current and future Stanford-related litigation against Trustmark (as has been done in other settlements with the Receiver involving other parties to the MDL). The settlement-approval process has just commenced with the filing of a motion for approval with the MDL Court on January 19, 2023. *See SEC Action*, Dkt. 3218, 3219. On January 20, 2023, the MDL Court entered an order preliminarily approving the settlement, approving notice and objection procedures, and setting a hearing on May 3, 2023 to consider final approval of the settlement. Accordingly, Plaintiffs and Trustmark respectfully request that this Court refrain from entering a conditional dismissal order at this time as contemplated by Court Procedure 32(d). Once the settlement is approved by the MDL Court, and once bar orders have been entered in certain related cases involving Trustmark, Plaintiffs, the Receiver, and other parties and such orders have become final, Trustmark and Plaintiffs will file an agreed motion in this case to (i) dismiss with prejudice without costs or attorneys' fees this litigation in its entirety as to Trustmark and (ii) enter a final judgment under Federal Rule of Civil Procedure 54(b) as to Trustmark and all claims against it in this litigation. In the meantime, Plaintiffs and Trustmark respectfully request that the case remain administratively closed.

Second, on January 19, 2023, Trustmark and the plaintiffs in the related case *Rotstain, et al. v. Trustmark National Bank, et al.*, 4:22-cv-00800 (S.D. Tex.) ("*Rotstain Action*") filed an agreed motion to stay all proceedings against Trustmark (only) pending final approval by the MDL Court of the settlement. *See Rotstain Action*, Dkt. 1339.

Respectfully submitted,

FISHMAN HAYGOOD, LLP

By: /s/ Benjamin D. Reichard  
Benjamin D. Reichard  
Texas State Bar No. 24098693  
S.D. Tex. Bar No. 2998672  
breichard@fishmanhaygood.com  
James R. Swanson (*pro hac vice*)  
Molly L. Wells (*pro hac vice*)  
201 St. Charles Ave., Ste. 4600  
New Orleans, LA 70170  
Telephone: (504) 586-5252  
Facsimile: (504) 586-5250

Edward C. Snyder  
Texas State Bar No. 791699  
CASTILLO SNYDER, P.C.  
700 N. St. Mary's, Ste. 1560  
San Antonio, Texas 78205  
Telephone: (210) 630-4200  
Facsimile: (210) 630-4210

*Counsel for Plaintiffs*

GIBBS & BRUNS LLP

By: /s/ Robin C. Gibbs  
Robin C. Gibbs  
Attorney-in-Charge  
State Bar No. 07853000  
S.D. Tex. Bar No. 4790  
1100 Louisiana, Suite 5300  
Houston, Texas 77002  
Telephone: (713) 650-8805  
Facsimile: (713) 750-0903  
E-mail: rgibbs@gibbsbruns.com

OF COUNSEL:

Barrett H. Reasoner  
Scott A. Humphries  
Jeffrey C. Kubin  
Michael R. Absmeier  
Ashley M. Kleber  
Colin C. Pogge  
Conor P. McEvily  
L. Bruce Baldree  
GIBBS & BRUNS LLP  
1100 Louisiana, Suite 5300  
Houston, Texas 77002

*Counsel for Defendant Trustmark National Bank*

**CERTIFICATE OF SERVICE**

I certify that on January 31, 2023, the foregoing document was filed with the Court's CM/ECF system, which has generated and delivered electronic notices of filing to all counsel of record who have consented to electronic service.

/s/ Robin C. Gibbs  
Robin C. Gibbs